

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY TO)	CASE NO.
CONSTRUCT CERTAIN ELECTRIC TRANSMISSION)	10368
AND DISTRIBUTION FACILITIES IN JOHNSON,)	
FLOYD AND MAGOFFIN COUNTIES IN KENTUCKY)	

O R D E R

IT IS ORDERED that Kentucky Power Company ("KPC") shall file an original and 12 copies of the following information in verified form with the Commission with a copy to all parties of record no later than January 6, 1989. KPC shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each item of information requested.

1. Describe the negotiations between KPC and East Kentucky Power Company ("EKPC") on service to EKPC's proposed Watergap substation. List the date of each negotiation session and the individuals involved. Provide copies of any correspondence or internal memoranda which relate to or discuss these negotiations.

2. Under what conditions will KPC agree to provide service to EKPC's proposed Watergap substation? If one of these conditions is an increase in the concurrent exchange rate, specify the amount of the increase and KPC's basis for such increase.

Would such an increase in the concurrent exchange rate apply only to service to the proposed Watergap substation or to all EKPC load centers?

3. EKPC asserts in its application that the American Electric Power System is seeking to establish a system-wide concurrent exchange rate of 3.75 mills/KWH and that KPC's insistence on this rate as a condition for service to the proposed Watergap substation is an attempt to effectuate this goal. Please comment.

4. Describe the discussions which KPC and EKPC have held since 1978 concerning problems with the reliability of service provided by KPC to EKPC's Middle Creek and Jenny Wiley substations. List the date of each discussion. Provide copies of any correspondence or memoranda relating to these discussions.

5. If discussions were held with EKPC about problems with the reliability of service to EKPC's Middle Creek and Jenny Wiley substations, what actions, if any, did KPC take to improve service to these substations?

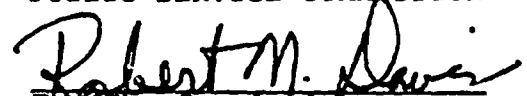
6. How does the service provided to the Middle Creek and Jenny Wiley substations compare to service provided to other load centers in the area served by KPC? (Refer to load centers owned by KPC and to those owned by other utilities and served through interconnection agreements.)

Done at Frankfort, Kentucky this 22nd day of December, 1988.

APPROVED:

Executive Director

PUBLIC SERVICE COMMISSION



For The Commission